

Department of the Treasury
Internal Revenue Service

▶ See separate instructions.
▶ Attach this form to your return.

Name(s) as shown on return

Identifying number

Business or activity to which this form relates

Part I Depreciation (Use Part III for automobiles, certain other vehicles, computers, and property used for entertainment, recreation, or amusement.)

Section A.—Election To Expense Depreciable Assets (Section 179)

1	Maximum dollar limitation	1	\$10,000
2	Total cost of section 179 property placed in service during the tax year (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	\$200,000
4	Reduction in limitation (Subtract line 3 from line 2, but do not enter less than -0-.)	4	
5	Dollar limitation for tax year (Subtract line 4 from line 1, but do not enter less than -0-.)	5	
6	(a) Description of property	(b) Date placed in service	(c) Cost
7	Listed property—Enter amount from line 28	7	
8	Tentative deduction (Enter the lesser of: (a) line 6 plus line 7; or (b) line 5.)	8	
9	Taxable income limitation (Enter the lesser of: (a) Taxable income; or (b) line 5) (see instructions)	9	
10	Carryover of disallowed deduction from 1988 (see instructions)	10	
11	Section 179 expense deduction (Enter the lesser of: (a) line 8 plus line 10; or (b) line 9.)	11	
12	Carryover of disallowed deduction to 1990 (Add lines 8 and 10, less line 11.)	▶ 12	

Section B.—MACRS Depreciation

(a) Classification of property	(b) Date placed in service	(c) Basis for depreciation (Business use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
13 General Depreciation System (GDS) (see instructions): <i>For assets placed in service ONLY during tax year beginning in 1989</i>						
a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g Residential rental property			27.5 yrs.	MM	S/L	
h Nonresidential real property			31.5 yrs.	MM	S/L	
14 Alternative Depreciation System (ADS) (see instructions): <i>For assets placed in service ONLY during tax year beginning in 1989</i>						
a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	
15	Listed property—Enter amount from line 27	15				
16	GDS and ADS deductions for assets placed in service before 1989 (see instructions)	16				

Section C.—ACRS and/or Other Depreciation

17	Property subject to section 168(f)(1) election (see instructions)	17	
18	ACRS and/or other depreciation (see instructions)	18	

Section D.—Summary

19	Total (Add deductions on line 11 and lines 13 through 18.) Enter here and on the appropriate line of your return (Partnerships and S corporations—see instructions.)	19	
20	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs (see instructions).	20	

Part II Amortization

Table with 6 columns: (a) Description of property, (b) Date amortization begins, (c) Cost or other basis, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Rows include 21 Amortization for property placed in service only during tax year beginning in 1989, 22 Amortization for property placed in service before 1989, and 23 Total.

Part III Listed Property.—Automobiles, Certain Other Vehicles, Computers, and Property Used for Entertainment, Recreation, or Amusement

If you are using the standard mileage rate or deducting vehicle lease expense, complete columns (a) through (d) of Section A, all of Section B, and Section C if applicable.

Section A.—Depreciation (Caution: See instructions for limitations for automobiles.)

24a Do you have evidence to support the business use claimed? Yes No 24b If "Yes," is the evidence written? Yes No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method, (h) Depreciation deduction, (i) Elected section 179 cost.

25 Property used more than 50% in a trade or business:

Table for Section A, rows 25-26, columns (a) through (i).

26 Property used 50% or less in a trade or business:

Table for Section A, rows 25-26, columns (a) through (i), with shaded area in row 26 column (i).

27 Total (Enter here and on line 15, page 1.) 27 28 Total (Enter here and on line 7, page 1.) 28

Section B.—Information Regarding Use of Vehicles—If you deduct expenses for vehicles:

- Always complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table for Section B with columns (a) through (f) and rows 29-35. Columns (a) through (f) are split into Yes/No sub-columns.

Section C.—Questions for Employers Who Provide Vehicles for Use by Their Employees

(Answer these questions to determine if you meet an exception to completing Section B. Note: Section B must always be completed for vehicles used by sole proprietors, partners, or other more than 5% owners or related persons.)

Table for Section C with columns Yes/No and rows 36-40. Row 40 has a shaded area.

Note: If your answer to 36, 37, 38, 39, or 40 is "Yes," you need not complete Section B for the covered vehicles.